

Amendment to the Chairman's Mark

Offered by Representatives Cardenas, McDermott, Lee, Jeffries, and Pocan,

**Preserve the Mortgage Interest Deduction for Middle Class
And Protect the American Dream**

1. At the end of Title 7, add the following:

“Sense of the House Rejecting Any Reduction in the Mortgage Interest Deduction

(a) The House finds that---

- (1) Homeownership is a pillar of the real economy and a fundamental source of stability for families, neighborhoods, and schools.
- (2) Deductions for mortgage interest have been part of the tax code since its inception in 1913.
- (3) The mortgage interest deduction is a cornerstone of American housing policy and a beleaguered housing sector that is finally turning the corner.
- (4) Reducing the mortgage interest deduction would be harmful to current homebuyers, future homebuyers, and overall economic growth.
- (5) Reducing the mortgage interest deduction would be a drain on the largest single source of family savings.

(b) It is the sense of the House that this resolution would not allow taxes to be raised on middle-class taxpayers with adjusted gross incomes below \$200,000 (\$250,000 for married couples) in the form of reducing these taxpayers' mortgage interest deductions. Raising taxes on working families by reducing their mortgage interest deduction – all for the purpose of providing millionaires with trillions of dollars in tax cuts – will have serious negative consequences, including the following:

- (1) Cut purchases of new and existing homes, hurting the housing industry and curbing already fragile economic growth.

- (2) unduly burden the finances of working families, making it even harder for them to make ends meet;
- (3) reduce consumer spending, which will greatly weaken economic growth and cost the economy millions of jobs over the coming years;
- (4) reduce the largest source of private saving and national net worth;
- (5) undermine the stability of families, neighborhoods, schools, and ultimately, society;
- (6) make the tax code more regressive and further widen the income gap between the wealthiest households and the middle class.”

2. Amend the committee report to reflect the following policy assumptions:

The resolution reflects the tax rates and income thresholds established in the American Taxpayer Relief Act of 2012, and expressly opposes any effort to raise taxes on individuals with adjusted gross income below \$200,000 or any married couple with adjusted gross income below \$250,000 by reducing their mortgage interest deduction.